

# CAPITAL BUDGET

**[Link to Capital Improvement Program Pie Chart, 12 KB .pdf](#)**

## Introduction

This chapter on King County's Capital Improvement Program Plan (CIP) is provided here to give an overview of the program. The complete CIP is published as a separate document. *Please see the 2003 Executive Proposed Capital Improvement Program Book for further details.*

The 2003 Capital Improvement Program (CIP) plans for capital outlay of approximately \$877.2 million over the next year. Within the \$877.2 million outlay, approximately \$313 million is from Transit revenues, \$304 million from Wastewater Treatment revenues, \$81 million from Roads and \$179.2 million from other County revenue sources. When completed, this capital program will provide the necessary infrastructure for the services that King County offers, including transit, roads, public safety, parks, wastewater treatment, surface water management, solid waste disposal, and public health.

The Capital Improvement Program Budget is divided into six program categories. The **Law, Safety, and Justice Program** includes capital improvements to facilities housing the operation of the King County Superior Court, King County District Courts, the King County Prosecuting Attorney, the Departments of Adult & Juvenile Detention, and the King County Sheriff. The **Mental and Physical Health Program** includes capital improvements to Harborview Medical Center, health clinics plus alcoholism and drug treatment facilities. The **General Government Services Program** includes capital improvements for King County facilities, as well as technological improvements. The **Physical Environment and Resource Management Program** includes CIP projects for solid waste, surface water management and wastewater treatment facilities. The **Culture and Recreation Program** includes capital improvements, acquisition and new development efforts for the County Park System and the County's 1%-for-Art Program. Finally, the **Transportation Program** includes CIP projects for the Transit System, County streets and roads, and the King County International Airport.

Artworks included in the 2003 Capital Improvement Program are presented to the County Executive and County Council through an annual plan submitted by the newly created Cultural Development Authority to the County Executive and County Council.

### **Relationship to the Growth Management Act / King County Comprehensive Plan**

The 2003-2008 King County Capital Improvement Program becomes the updated capital facilities component to the King County Comprehensive Plan and occurs as an amendment to the King County Comprehensive Plan. The 2003-2008 King County Capital Improvement Program, when adopted by the County Council, will satisfy the Growth Management Act requirement to provide a six-year plan that will finance capital facilities within projected funding capacities and clearly identify sources of public money for those capital facilities.

Statutory capital facilities planning requirements are codified in RCW 36.70A.070(3). This section of the Growth Management Act (GMA) calls for the following elements to be contained in a capital facilities plan: 1) an inventory of capital facilities; 2) a forecast of future needs for capital facilities; 3) the proposed locations and capacities of capital facilities; and 4) a six-year financing plan.

The 1994 King County Comprehensive Plan (KCCP), Technical Appendix I-A, contains a summary of the inventory, forecast, proposed locations and capacities information on public capital facilities in King County. The information is provided for facilities and services provided by King County and by other agencies and utilities, such as drinking water supply and natural gas. Databases and technical reports provide update of the inventories, forecasts, and other information. Technical Appendix I-A is adopted by reference as part of the capital facility plan element of the KCCP. The capital facility plan element also adopts the 2003-2008 King County Capital Improvement Program (CIP) as the document satisfying the six-year financing plan required by the GMA. It should be noted that the total inventory, forecast, proposed locations, and capacities of capital facilities are contained in documents

referred to as "functional plans." Authorized by the King County Comprehensive Plan, functional plans are detailed plans for facilities, services, action plans, and programs for governmental activities. Some functional plans are operational or programmatic and guide daily management decisions. Others include specific details of facility design and location. These plans must be consistent with the KCCP. A complete listing of functional plans is contained in Technical Appendix II-K of the 1994 KCCP and its amendments.

### **King County Comprehensive Plan Year 2001 Update and Environmental Review**

The King County Comprehensive Plan (KCCP) was adopted in February 2001 in compliance with the state Growth Management Act, RCW 36.70A.130. This update is the first significant revision to the KCCP since its adoption in 1994, in accordance with K.C.C. Title 20.

The State Growth Management Act requires that all proposed amendments to a comprehensive plan be assessed as one annual package to ensure that the cumulative effects of all proposals are considered concurrently. The Draft and Final Supplemental Environmental Impact Statement on substantive revisions to the KCCP was completed as required by the State Environmental Policy Act (SEPA). The analysis focused on environmental impacts resulting from changes to the transportation system, greater emphasis on protection of the rural and natural resource areas and better direction of growth in the urban areas. Specifically, the environmental review includes analysis of how recommended revisions to the KCCP may effect Chinook and other salmon populations within unincorporated King County. This will provide a framework for future potential ESA-driven analysis of King County land-use policies. The environmental review also provides analysis of recommended revisions to the KCCP that are directly applicable to the Transportation Needs Report (TNR), the Six-Year Transit Development Plan and other recommended policy changes in the Transportation Chapter of the KCCP. The TNR updates and coordinates project-level transportation improvement recommendations for King County, with cities in King County and the Washington State Department of Transportation. The Six-Year Transit Development Plan (2002 adoption) will address the distribution of transit facilities and services and direct the development of the Transit Capital Improvement Program. The Transportation Chapter of the KCCP includes new policies addressing freight mobility, the Regional Arterial Network and transportation funding issues.

### **2003 Goals and Highlights**

The 2003 goals and objectives for the 2003-2008 CIP Program Plan include the following:

- to preserve and enhance the many values of the County's natural drainage system including water quality and fish and wildlife habitat and to construct drainage and erosion control facilities.
- to ensure continued operation and reliability of existing wastewater treatment assets, enhance regional water quality, and ensure sufficient capacity to meet wastewater treatment needs;
- to address transportation networks and growth impact needs, and to provide cities a means to accelerate the development of roads in areas which will ultimately be annexed by those cities.
- to maintain the structural integrity and efficiency of the general government and other special purpose buildings and facilities owned by King County by constructing, maintaining, and equipping facilities appropriately.
- to provide County employees with appropriate tools through technological upgrades in order to manage functions efficiently and effectively.
- to enhance recreational opportunities and the County open space system through acquisition of land and the development and rehabilitation of facilities and
- to maintain the solid waste disposal system's ability to meet the volume demands on it, to ensure that Solid Waste facilities are operated in an environmentally responsible manner, and to provide for the ongoing maintenance and monitoring of the various landfills including their eventual closure.

***Law, Safety, and Justice Program***

The 2003 capital budget for Law, Safety and Justice (LS&J) totals \$18,228,697. The most significant elements in this are \$15,864,758 for the Integrated Security Project (ISP) and Jail Health Improvements Project (JHP). These combined projects will provide for replacement and modernization of equipment, wiring, and the system infrastructure associated with security systems and critical jail health facility upgrades in the King County Correctional Facility (KCCF).

These are critical projects that require immediate attention. Included in the overall proposal is funding for a Jail Operational Master Plan (OMP), an outline of which has been previously submitted to the King County Council. While the combined capital projects require immediate implementation, the intent of the OMP is to evaluate additional capital investments or operational adjustments that demonstrate positive economic and operational benefits and could be subsequently funded and adopted into the overall KCCF Plan. The core ISP/JH project has been planned and designed to accommodate such potential future operational and capital amendments with minimal inefficiency; this has been planned to ensure that these critical system and programmatic elements are not delayed while this OMP process proceeds.

Significant elements of these projects include:

- \$8,350,960 of additional funding for the core ISP and Jail Health Improvements projects
- \$7,000,315 for the capitalization of Jail and Jail Health operating costs directly related to both the Integrated Security Electronics Project and KCCF Medical Administrative Remodel Project; these are costs in excess of standard operation and solely due to the implementation of these projects
- \$313,483 for the purchase of additional equipment and related improvements in support of the KCCF Medical Administrative Remodel Project.
- \$200,000 for the Jail Operational Master Plan

The other significant LS&J project provides \$273,609 for the expansion of the court video program to the Seattle Jail, the second studio at the Regional Justice Center, and to the remaining core divisions of District Court (Seattle and Southwest).

The following table displays the major projects in the 2003 Executive Proposed Budget:

<b>Significant Projects Law, Safety and Justice</b>	<b>2002 Adopted Budget</b>	<b>Continuation of Existing Project</b>
ISP - DAJD Operations	5,537,564	
ISP - Jail Health Operations	1,492,750	
Video Court	273,609	
King County Correctional Facility Security Electronics	8,350,960	X

***Mental and Physical Health***

This Mental and Physical Health program includes necessary improvements at the Harborview Medical Center. Harborview's \$4 million in projects reflects the medical center's priorities to correct life/safety issues, address clinical and patient needs and improve operational efficiency. Projects contained in the capital improvement program also addresses long term strategic needs, as well as near term operational needs. The projects promote the quality of patient care at Harborview, enhance Harborview's ability to provide care to priority patients, increase the functionality of the facility and address the sustainable, long term usefulness of Harborview's physical plant.

The Mental and Physical Health program also includes approximately \$6.2 million in support of the Harborview Medical Center Bond Program. The program is the result of voters, in 2000, authorizing

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King County to issue voter approved bonds to make seismic, health, and public safety improvements at Harborview Hospital. Improvements will include demolition of unsound buildings, construction of new buildings and renovation and upgrading of existing facilities.

The following table displays the major projects in the 2003 Executive Proposed Budget:

<b>Significant Projects Mental and Physical Health Capital Program</b>	<b>2003 Proposed Budget</b>	<b>Continuation of Existing Project</b>
HMC Fixed Equipment Purchases	2,276,980	
HMC Miscellaneous Projects Under \$50,000	878,290	X
HMC/Medical Examiner Program and Pre-design	5,824,000	X

### ***General Government Services Program***

The General Government Services Program includes capital improvements for King County facilities as well as technological improvements

### **General Government Facilities Projects**

This year the Department of Construction and Facility Management coordinated the CIP submittal process. Capital Planning and Development Division managers and staff engaged client agencies in early discussions about their capital needs. As a result, the projects proposed for funding were selected through a collaborative effort of the Current Expense funded agencies. This approach provided a forum for agencies competing for scarce resources to evaluate capital needs countywide and prioritize projects that will address the most critical need.

King County agencies submitted requests totaling approximately \$6.4 million in potential CIP projects for the year 2003. Unfortunately, limited funds forced some difficult choices between worthy projects. The following selection-criteria was applied to the decision-making process.

- The project remedies conditions that adversely impact the health, safety, security, or well being of the requesting agency's physical environment or its clients.
- The project is legally mandated (e.g., by code or court order): this includes handicapped accessibility projects.
- The project is part of an approved master plan or, continues work already begun.
- The project results in cost savings sufficient to return the original capital investment over a moderate period of time.
- The project meets the basic guidelines of a capital improvement project (versus a purchase) unless part of a larger construction project. The project cost generally exceeds \$10,000.
- The project upgrades and expands the County's capital stock by maintaining structural integrity, restoring architectural integrity or improving building systems before failure of these facilities requires a more costly solution.
- The project expands the capacity of capital facilities through acquisition, new construction or remodeling in response to increased operational and service requirements.
- The project utilizes staff more effectively by enhancing the work environment, providing critical support services or increasing efficiency in individual workload.

### **General Government Technology Projects**

**Technology:** King County continually strives for more efficient operations and service delivery. Technological improvements expedite this process. In 2002, the County endorsed the guiding principles of the Strategic Technology Plan. These principles provide a framework within which strategic objectives for information technology development and deployment can be reviewed and evaluated.

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Highlights of the various 2003 IT capital projects are as follows: ITS Equipment Replacement, \$1,935,780; Business Continuity and Disaster Recovery Planning, \$350,000; IT Privacy/Security, \$381,887; Network Infrastructure Optimization, \$130,000; PeopleSoft e-Apps Implementation, \$450,000; Wireless Phase II PSAP (E-911) Equipment, \$377,587; REALS E-Recording Initiative, \$381,442

### **Significant General Government Projects**

The General Government Budget for 2003 totals approximately \$128.6 million. Included in the \$128.6 million outlay, is appropriation authority for the redemption of Bond Anticipation Notes issued in 2002. The County Council adopted an ordinance in July 16, 2001, authorizing the issuance of up to \$125 million of Bond Anticipation Notes. The funding is to provide interim financing for the construction of the King County Communication & Emergency Coordination Center (RCECC), the Courthouse seismic improvements and the planning and construction of the replacement of the current structures used by the North Rehabilitation Facility. A series of notes are issued and become due on October 1 the following year of issuance. The Executive's 2003 proposed budget include the necessary appropriation authority of \$87,125,000, which will facilitate the repayment of the Notes issued in September 2002.

### **Major Maintenance Program**

The Major Maintenance Program managed by the Facilities Management Division (FMD) provides funds for the periodic replacement and repair of county owned building systems and components on the 34 buildings maintained by FMD. In 2003 Major Maintenance Program continues the investment in these facilities by funding approximately \$8 million in projects in 15 buildings. The budget authority is allocated to the following categories: Fifty percent to upgrade or replace HVAC systems, twenty-five percent to maintain roofs, ten percent to improve fire alarm and electrical systems, and the remaining five percent of budget authority is allocated to miscellaneous maintenance projects. The projects proposed for funding in 2003 were drawn from lists of infrastructure deficiencies developed by FMD and the building assessment consultant report completed in September 2003. The projected list of projects identified for budget years 2004 through 2008 will be subject to further review before inclusion in the 2004 proposed budget.

Limited current expense fund resources led to a \$1.5 million reduction from the projected transfer necessary to fully fund the Major Maintenance Reserve Fund. The 2003 reduction will be accommodated in the MMRF by 1) excluding low priority infrastructure categories such as carpet and paint, and 2) extending the intra-fund repayment period.

The following table displays the major projects in the 2003 Executive Proposed Budget:

<b>Significant Projects General Government Services</b>	<b>2003 Proposed Budget</b>	<b>Continuation of Existing Project</b>
Major Maintenance Reserve Program	9,254,234	
Office Space Preparation	215,737	
Bond Anticipation Note Repayment	87,125,000	
ITS (11 Projects)	3,716,628	

### ***Physical Environment and Resource Management Program***

**Solid Waste Ongoing Capital Improvements:** Solid Waste projects are developed in order to comply with legal requirements such as the King County Board of Health Code (Title 10), Washington State Minimum Functional Standards for Solid Waste Handling (WAC 173-3-4) and Department of Labor and Industries mandates. The recommendations of planning documents such as the 2001 Comprehensive Solid Waste Management Plan and the Cedar Hills Site Development Plan are considered. The timing and implementation of these projects are dictated by regulatory mandates, the

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nature of the projects, and the planning documents. The timing of new area and transfer station development and construction, is based on facility conditions, tonnage disposal and waste capacity projections.

The following table displays major projects requested in the 2003 Proposed Budget.

<b>Significant Projects Solid Waste Capital Improvement Program</b>	<b>2003 Proposed Budget</b>	<b>Continuation of Existing Project</b>
Cedar Hills Area 6 Development	12,218,000	X
Cedar Hills Area 5 Closure	4,680,000	X
CERP Equipment Purchase	4,326,000	X
Bow Lake FMP Safety Imp.	2,575,000	X
TS Roof Replacement	1,867,000	X
Transfer to Fund 4040	1,688,000	X
CH GW Monitoring Wells	516,000	
Landfill Gas to Energy	450,000	X
Cedar Hills Area 6 Closure	443,000	
1st NE FMP Implementation	426,000	X

### **Water and Land Resources Division Capital Improvement Program**

The Water and Land Resources (WLR) Division Strategic Plan provides guidance and an organizational structure for 2002 which will enable WLR to protect and enhance the quality of life and public health and safety of all citizens and promote the conservation of land and water resources in King County. It provides a guiding vision for our work, clarification of the Division's core businesses, and an organizational structure in alignment with and facilitating core work.

Improvement in the number of "on-the-ground" projects and implementation of a comprehensive capital program has been a major impetus toward WLR's strategic planning process and reorganization.

The Water and Land Resources Capital Improvement Program includes constructed and acquired projects that originate from each of the three core business areas in WLR: Flood Hazard Reduction Services, Stormwater Services, and Land and Water Stewardship Services. WLR also implements capital projects and provides technical analyses for other DNR and County clients where that work is strategically aligned to the accomplishment of WLR goals. For example, WLR performs stormwater designs for many Roads CIP projects, thereby leveraging hydrologic and ecological experience on the landscape outside, but adjacent to the Road right-of-way.

**Flood Hazard Reduction Services.** The Flood Hazard Reduction Services core business goals are to maximize public health and safety and minimize flood hazard and damage to public and private property on major rivers throughout King County. This is accomplished through flood hazard reduction projects and programs, regulation and policy development, flood warning and emergency response, and disaster assistance programs. King County's state-approved Flood Hazard Reduction Plan (FHRP), which was developed with citizen advisory input and adopted by the King County Council in 1993, establishes criteria for prioritization of capital needs, as well as recommendations for flood hazard reduction policies and regulations. Many additional federal, state and local natural resource management policies and regulations, including the Endangered Species Act (ESA), guide King County's flood hazard reduction program's projects. The FHRP also includes a prioritized list of capital needs as of 1993, that has been updated and supplemented primarily in response to flood events in 1995 and 1996 and in combination with new approaches to flood hazard reduction.

**Stormwater Services.** The Stormwater Services core business is managing the quantity and quality of



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surface water runoff in natural and constructed drainage and conveyance systems. To accomplish their core business goals, Stormwater Services responds to surface water management complaints and inquiries, develops and implements capital and other solutions to identified problems, develops stormwater regulations, inspects and maintains residential stormwater facilities, inspects privately maintained stormwater facilities, and manages the County's National Pollutant Discharge Elimination System (NPDES) permit.

**Land and Water Stewardship Services.** Land and Water Stewardship Services (LAWS) fosters the responsible use of land and water resources in King County by helping individuals, communities, businesses and governments learn about, care for, and restore private lands, watersheds and King County's natural resources. Stewardship enables the county's residents and businesses to comply with state and federal mandates and protects the high quality of life and our resource-based rural economy, at less cost to us all. Finally, LAWS directs the acquisition, enhancement, and restoration of County-owned ecological lands. The basic services provided by this program include: regulatory development and compliance, customer and technical assistance and open space, habitat and resource land preservation and enhancement.

**Rural and Resource Lands Protection Services.** The Office of Rural and Resource Lands Protection Services programs supports the core business of rural and resource lands protection and stewardship. This core business includes, but is not limited to, agriculture, livestock management, farmlands preservation, current use taxation programs (Public Benefit Rating System and timberlands), forestry, the noxious weeds program, and rural economic development. In addition, the Office also coordinates the management of the County's natural lands and encourages environmental stewardship. The office is responsible for the interdepartmental coordination of the agricultural program as well as other rural and resource based programs.

### **Division Goal - Integrated Capital Improvement Program**

One of the primary goals of the Water and Land Resources Division Strategic Planning process was to lay the foundation for a fully integrated WLR Capital Improvement Program across the four core businesses. The conceptual framework for this integrated program was introduced in the Division's Strategic Plan and is portrayed in figure 1. It provides a snapshot of general project type, the multitude of likely capital funding sources, and how projects are identified and prioritized for each of our 3 core program areas.

In summary, the 2003-2008 CIP Request Summary provides a big picture view of capital needs across WLR's four core businesses and is consistent with recommendations of WLR's Strategic Plan. While additional prioritization work remains, WLR is well on its way to implementing Division-wide goals, in a cost-effective way through an improved and integrated capital improvement program.

The following table displays major projects over \$150,000 for which appropriations are requested in the 2003 Proposed Budget.

<b>Significant Projects</b>		
<b>Surface Water Management, Agriculture Preservation and Open Space and Habitat Preservation Capital Improvement Programs</b>	<b>2003 Proposed Budget</b>	<b>Continuation of Existing Project</b>
ESA Contingency – Surface Water Management (SWM)	1,470,076	X
ESA Grant Match Contingency – Rural Drainage Program (RDP)	1,431,875	
Flood Hazard Mitigation	970,000	
Taylor Creek; final phase	786,000	
Cedar River Legacy	776,500	X
Ames Lake Development Rights Acquisition	550,000	X

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<b>Significant Projects Surface Water Management, Agriculture Preservation and Open Space and Habitat Preservation Capital Improvement Programs</b>	<b>2003 Proposed Budget</b>	<b>Continuation of Existing Project</b>
Rural - Agriculture Drainage Assistance Program (ADAP)	499,750	X
Natural Lands Asset management	290,000	
Herb Farm	270,000	
Mill Creek Flood Management	269,900	X
Drainage Facility Retrofit Maintenance	255,000	X
May Creek Basin Plan (Flood Reduction)	250,000	X
Des Moines Basin Plan CIP	250,000	X
Urban CIP reconnaissance	236,000	
Rural – Drainage and Habitat Improvement (DHI) projects	200,000	X
Emergency/Opportunity CIP Program	200,000	X
Watershed Habitat [RDP] Feasibility Studies	180,000	
Rural Small Habitat Restoration Projects (SHRP)	180,000	X
Natural Lands CIP - SWM	175,000	
Snoqualmie 205 Flood Hazard Reduction Project	164,000	X
Flood Warning Center Relocation	160,000	
Rivers Major Maintenance	154,797	X
Urban – Agricultural Drainage Assistance Program (ADAP)	150,500	
SWM CIP Monitoring [and Maintenance]	150,000	X
SWM Small CIP/D.H.I. [Older Unincorporated Urban Areas] (OUUA)	150,000	X
Watershed Habitat [projects] Feasibility Studies - SWM	150,000	
Urban – Neighborhood Drainage Assistance Program (NDAP)	150,000	X

**Wastewater Treatment:** The Wastewater Treatment Division's Capital Improvement Program for 2003-2008 is based on compliance with current regulatory standards for secondary treatment and combined sewer overflows (CSOs). The objectives of the program are to:

- Ensure continued operation and reliability of existing wastewater treatment assets;
- Enhance regional water quality in compliance with federal, state and local regulations;
- Ensure sufficient capacity to meet the regional service area long-term needs.

The 2003 capital appropriation request is approximately \$265 million. This appropriation request is less than that adopted for 2002, reflecting fewer multi-year construction contracts scheduled to begin in 2003. The program costs in 2003 will come from activity in more than 108 projects including a number of larger projects such as the Denny Way and the Henderson/MLK CSO project; replacement of South Treatment Plant Dewatering Equipment; the Sammamish Valley Reclaimed Water Facility; and the continuing implementation of the RWSP through projects such as the Brightwater Treatment Plant and the Conveyance System Improvements.

As noted above, the financial plan period 2003 – 2008 reflects the implementation of the Regional Wastewater Services Plan (RWSP). In November 1999, the Metropolitan King County Council adopted the RWSP, a supplement to the King County Comprehensive Water Pollution Abatement Plan. The RWSP is the policy basis for a capital improvement program that will provide wastewater services to this region for the next 30 years. The centerpiece of the plan is the new Brightwater Treatment Plant, which will provide secondary treatment for up to 36 million gallons of wastewater each day from north King County and south Snohomish County. The project is currently in the site-selection process, with the treatment plant scheduled to be on-line by 2010.

The following table displays major projects proposed in the 2003 Proposed Budget.

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Significant Projects Wastewater Treatment Capital Improvement Plan		2003 Proposed Budget <sup>1</sup>	Proposed Plan 2003-2008 <sup>1</sup>	Continuation of Existing Project
2003-04	STP Dewatering Equipment Replacement	11,450,000	15,275,562	X
423548	STP Cogen	19,754,605	32,951,605	X
423474	WTP West Point Energy System Upgrade	10,475,000	17,325,000	X
2003-07	Brightwater Conveyance	13,408,861	520,110,238	X
423484	Brightwater Treatment Plant	56,022,370	417,750,653	X
423373	RWSP Conveyance Sys Improvements	14,175,839	207,214,509	X
423297	RWSP Local System I/I Control	14,391,240	81,253,240	X
423528	Sammamish Valley Reclaimed Water Production Facility	14,343,000	34,399,000	X

<sup>1</sup>

2003 Proposed is based on appropriation. Years 2004 through 2008 are based on cash flow.

Note: In contrast with budget years prior to 2001, the Wastewater Treatment Capital Program is now appropriated on a single-year basis. For the 2003 Proposed Budget Request, the WTD CIP is equal to projected expenditures in year 2003 plus new construction contract values estimated for 2003-2008.

### ***Culture and Recreation Program***

**King County Parks:** The year 2003 Parks Capital Improvement Program (CIP) proposed budget totals \$7,783,190 and is balanced with available revenues from Real Estate Excise Tax #1, Real Estate Excise Tax #2, Project Cancellations and other funding sources. The Parks CIP is supported by direction from the Executive Task Force and Active Sports and Recreation Commission (ASPYRE) recommendations and is consistent with many of the policies within the adopted King County Comprehensive Plan, Growth Management Planning Council (GMPC), the adopted Parks, Recreation and Open Space Plan (Parks Plan) and the adopted Regional Trails Plan. In light of new direction and vision for the King County Parks Division, staff will review existing policies that have historically guided the CIP development.

### **CIP Program Development Process**

Currently, the Parks and Recreation Division is facing a financial crisis which threatens the existence of the park system itself. Measures have been proposed that will change the system as it exists and will change the manner in which Parks will operate in the future. These changes within Park operations will be reflected in this and future years' capital budget submittals. In particular, is the move away from management of facilities in cities, such as pools and the move towards projects that present new opportunities for revenue or cost efficiencies.

The 2003 budget development process was based on the need to identify a capital program that focused on the following criteria:

- Projects which addressed safety related issues
- Projects which generated additional funds to support operations
- Projects which provided partnerships that enhance park operations
- Projects which allow for implementation of new programs/activities
- Projects which facilitate the transfer of parks in incorporated areas

Due to the limited dollars available for park operations, it is critical to ensure that projects funded do not result in the need for new or additional maintenance obligation. The input and selection process for developing the 2003 CIP came as a result of Parks staff prioritizing recommendations that met the criteria listed above. Due to funding constraints, only a portion of the projects classified as high

priority have been recommended for funding.

### **Stewardship/Transfer of Existing Buildings and Grounds**

The physical integrity of existing facilities and grounds has been a high priority for the Parks and Recreation Division and is reflected in the request for funding projects such as Bridge and Trestle Repair, Fuel Tank Removal, and the Small Contracts Program. These projects will address immediate safety and liability issues and protect the County's investment in park facilities. King County is currently working with several suburban cities for the transfer of pools and parks located within their jurisdictions. It has long been King County policy to transfer facilities within cities. Funds to improve pools as part of the transfer process have been identified and recommended as part of the 2003 budget. Should these facilities not transfer, it is the intent of the Parks and Recreation Division to mothball these parks and pools. Funds to complete the transfer of pools have been identified, as well as funds to mothball those facilities that do not transfer.

### **Revenue Support**

Revenue support for the Parks Capital Improvement Program has dropped significantly over the last 2-3 years resulting from both a depressed local economy and a large number of incorporations and annexations within King County. In addition, due to the long-term uncertainty concerning the extent of the King County Park System, the division made a conscious decision this year not to apply for grants that normally comprise a significant portion of the capital budget.

### **Revenue Generation/Partnerships**

The year 2003 will mark a dramatic shift in the operations and management of park facilities within our system. This shift will result in opening up new opportunities for the Parks and Recreation Division, user groups, and prospective partners. In essence, the division will streamline operations, develop new partnerships for service provision, and identify new opportunities for revenue generation. To accomplish this task, the division will develop an aggressive campaign aimed at increasing revenues through partnerships, such as new facilities (driving range) or use of existing facilities (advertising). The first steps toward this are being taken through the development of the Employee Revenue and Cost Savings Team, an internal group working together to identify new and different opportunities, as well as the implementation of processes that result in operating efficiencies. Three projects identified within the CIP will be necessary to accomplish this task – Opportunity Fund, Feasibility Studies, Active Recreation Partnerships.

### **Cancellations**

In an effort to operate as efficiently as possible, the Parks and Recreation Division and staff from the Department of Construction and Facilities Management, in consultation with the Executive's office, have identified several projects for cancellation which are currently not feasible or that have been completed and have residual fund balance. The total dollar amount recommended for cancellation is roughly \$1,158,875 and is comprised of REET #1 and REET #2 dollars as well as previous fund balance. Staff will continue to monitor the capital program for projects such as these for future reprogramming to higher priority projects.

### **Policy Support**

The year 2003 Parks CIP is limited to projects which address physical safety and integrity of park facilities, result in increased efficiencies, generate new revenues, or provide for continued partnerships. Due to funding constraints, the Parks and Recreation Division cannot respond to existing deficits in adopted park standards for acreage and fields per capita as identified within the Parks, Recreation and Open Space Plan; nor can it address future growth that is outlined in the Growth Management Plan and the King County Comprehensive Plan. The Proposed 2003 CIP is a responsible document that parallels a recent shift in the management of park facilities and operations.

The following table displays significant projects in the 2003 Proposed Budget.

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Significant Projects/Programs Parks Capital Improvement Plan		2003 Proposed Budget	Proposed Plan 2003-2008	Continuation of Existing Project
316000	Project Implementation	\$356,843	\$2,141,058	X
316001	Joint Development	209,157	1,254,942	X
316002	Budget Formulation	365,000	2,190,000	X
316115	East Lake Sammamish Trail	1,165,774	5,765,774	X
316310	Active Recreation Partnerships	344,393	3,744,393	
316312	Feasibility Studies	150,000	1,150,000	
316401	Marymoor Shop Design/Construction	1,000,000	1,800,000	X
349092	Small Contracts	550,000	3,450,000	X
349097	Bridge & Trestles Rehab	501,490	3,148,490	X
349304	Pool System Improvements	519,202	1,019,202	
349309	Major Rehabilitation (Health, Safety, ADA)	0	3,062,962	
349502	Aquatic Center Improvements	132,450	1,682,450	X

### **The Public Art Program**

An annual appropriation to the Arts and Cultural Development Fund is used to support the public art program, beginning in 2003. The purpose of this program is to ensure that the works and thinking of visual artists are included in the planning, design, and construction of county facilities, buildings and public spaces. All capital improvement projects that are visible, publicly accessible, or for which there is a need for mitigation contribute to the fund. The appropriation for the public art program is the result of calculating one percent of eligible capital costs.

Beginning with the 2003 budget, an annual work plan for the public art program will be developed by the Cultural Development Authority (CDA) in collaboration with CIP fund managers, which reflects the 2003 Adopted Budget. A report presenting this work plan will be submitted to the Executive and to the County Council early in the year. This report will describe the art projects to be initiated from the fund, recommend a budget for each art project, and identify any special project categories to allow for program flexibility and responsiveness. The total appropriation for public art in 2003 is over \$1,700,000.

### ***Transportation Program***

#### **Public Transportation Fund Capital Improvement Program**

The 2003-2008 Public Transportation capital improvement program (CIP) is expected to cost \$610.3 million, with \$307.8 million requested for 2003. The CIP focuses on maintaining existing infrastructure and systems, providing the physical capacity needed to meet projected service changes and supporting the six-year service plan. An updated six-year-plan was adopted in mid-2002 and while the 2003 budget has mainly been drafted in the context of the earlier plan, its assumptions are substantially consistent with the new plan as well.

The capital improvement program funds projects based on the following priorities: 1) maintaining infrastructure and replacing aging fleets; 2) supporting the implementation of the service delivery system adopted in the six-year plan; 3) replacing outdated and unsupported information systems; 4) increasing efficiency and productivity in ways that offset the cost of investment; and 5) forming partnerships with other jurisdictions and businesses throughout the region. The Transit Division annually reviews the CIP to ensure that funding is consistent with the established priorities and that both regional priorities and the requirements of each group within Transit are balanced within funding constraints.

In the 2003-2008 time period, Transit is going to see the completion of a number of major projects

## CAPITAL IMPROVEMENT PROGRAM PLAN

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which have been in the planning and design stages for several years and are now at the point of construction. It has been several years since Transit was responsible for constructing so many projects of this size and type.

There continues to be uncertainty about the impacts of Sound Transit Light Rail. While joint operation of buses and light rail has been agreed to, the timing of tunnel closure and the scope of work to be performed at that time have yet to be finalized. Choices made for light rail and other Sound Transit services will be likely to affect this CIP. In addition, transportation funding packages at both the state and local levels have included amounts for public transportation. Service growth beyond the amount envisioned in the currently proposed budget will require additional capital assets – both buses and bases.

Consistent with established priorities, the largest portion of the 2003 program is associated with maintaining infrastructure. Roughly 56% of the total CIP is related to the maintenance and replacement of existing assets. Another 21% of the CIP is related to the expansion of capacity, consisting primarily of additional base capacity and vehicles. Support for the 6YP, primarily related to passenger facilities, is 14% of the program. Expenditures on projects with partners comprise 7% of the total. Aging information systems and other projects make up the remaining 2% of the total CIP.

The proposed program for 2003 includes only three new initiatives: Tunnel Closure Modifications, Montlake Bike Station, and Passenger Facilities Project Formations. Information about these projects can be found in Transit's proposed CIP

### **Appropriation (Budget) Request and CIP Staffing Levels:**

The budget authority requested for 2003 totals \$307.8 million, including the disappropriation of funds for some projects. The total available for expenditure in 2003 includes the requested budget authority added to the sum of the unexpended budget authority carried forward from the 2001 and 2002 adopted budgets.

<b>Significant Projects in the Transit 2003 Capital Improvement Program</b>	<b>2003 Proposed Budget</b>
Articulated Diesel Buses	183,549,498
Regional Fare Coordination	18,836,906
Operating Facility Capacity Expansion	52,707,516
Issaquah Highlands Park-and-Ride	22,380,958
Transit Asset Maintenance	8,763,168
On-board System Integration	7,980,550
Operating Facility Improvements	6,829,845
Vanpool Fleet	5,199,278
Bus Zone Safety and Access	2,813,724
ADA Mobile Data Terminals	1,963,535
Power Distribution Headquarters	1,990,000
Eastgate Park-and-Ride	1,714,461
East King County Transit Improvements	1,456,302

### **King County International Airport**

Lower than anticipated operating revenue collections due to the current economic condition has led the King County International Airport to significantly reduce the capital program. The proposed project cancellations amount to \$9.6 million. The most significant reduction is the cancellation of the \$6.7 million maintenance facility construction project. This \$9.6 million reduction is partially offset by \$1.7 million for new projects that address emerging needs. To address the Airport's safety and

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security goal, the Airport has proposed funding for security improvements in light of September 11. Also, several projects that address the goal of environmental stewardship are proposed. These projects are the 7777 site remediation and the Part 150 home insulation program. The net effect to the Airport capital program is a \$7.9 million reduction to project budget authority.

The following table displays the major projects and reductions requested in the 2003 budget.

<b>Significant Projects Airport Capital Improvement Program</b>	<b>2003 Proposed Budget</b>	<b>Continuation of Existing Project</b>
Site Remediation	400,000	
Part 150 Flight Track Monitoring	300,000	
Part 150 Building Design Standards Study	80,000	
West Side Redevelopment	(6,606,625)	X
Master Plan	(672,311)	X

### **Road Services Capital Improvement Program**

The continuing goal of the Road Services Division's Capital Improvement Program (CIP) is to construct new and enhance existing roadways to provide safe, efficient and environmentally sound transportation facilities for the traveling public. The CIP is developed to provide safe roads and bridges, to be consistent with the County's land use policies and plans, and to meet identified transportation needs.

The adopted 2003-2008 Roads CIP, continues the Division's aggressive efforts to construct critical capacity improvements early by funding them from the sale of bonds. The adopted Roads CIP also includes an equally ambitious program to make significant inroads into the backlog of rehabilitation and retrofit work necessary to appropriately maintain and preserve the County's aging system of roadways and bridges.

The goals identified in the Division's Core Business Goals that relate to the CIP are:

- Lead and partner in developing and carrying out transportation solutions that support Smart Growth.
- Provide a high level of travel safety through effective design, construction, operation and maintenance of roadways and other transportation facilities.
- Deliver projects and services on time and within budget through timely, efficient and cost effective management of resources.
- Ensure the design, construction, operation and maintenance of roadways and other transportation facilities are done in an environmentally responsible manner.

The Roads CIP totals \$456.5 million for the 2003-2008 six-year period, including a new appropriation in 2002 of \$81 million. The road and bridge improvements reflected in this program, are consistent with the principles and policies of the adopted King County Comprehensive Plan.

### *Road Safety Rehabilitation and Retrofit Program*

The proposed CIP includes a proposal, which focuses on the rehabilitation and retrofit of the county's aging infrastructure. This proposal would provide additional funding for pavement overlay, reconstruction of concrete sidewalks, construction of solutions to high accident locations and road segments, retrofit of guardrail, and the replacement of obsolete signal controllers and electronics.

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The following table displays significant projects in the 2003-2008 six-year capital program.

<b>Significant Projects Roads Capital Improvement Program</b>	<b>2003 Proposed Budget</b>	<b>Proposed Plan 2003-2008</b>	<b>Continuation of Existing Project</b>
N.E. 124 <sup>th</sup> Street	5,497,000	6,497,000	X
Preston Bridge	259,000	5,165,000	X
South Park Bridge	8,745,000	33,953,000	X
S.E. 277 Street	5,695,000	11,517,000	X



***The Real Estate Excise Tax Funds (REET)***

R.C.W. 82.46 authorizes King County to impose two excise taxes on each sale of real property in the unincorporated areas of the county, both equals to one quarter of one percent of the selling price. They are commonly referred to as Real Estate Excise Tax #1 (REET #1) and Real Estate Excise Tax #2 (REET #2). REET #1 may be used for capital improvements benefiting unincorporated residents, and has traditionally been used to fund the planning, acquisition, repair and development of park facilities. REET #2 is limited by County Ordinance No. 10455 to funding park planning, repair and construction. This is not limited to acquisition.

In June 1992, the King County Council adopted Motion No. 8680 that expressed the County's intent to issue REET #1. These are limited funded general obligation bonds for the purpose of acquiring park lands in unincorporated King County. The motion stipulates that not more than 50 percent of those REET #1 revenues, not reserved for low income housing expenditures, can be obligated for debt service on the 20-year bonds. The bonds were issued in 1993.

At the end of 1999, the two REET funds were reestablished as Capital funds: REET I, formerly fund 1270 is now subfund 3681 and REET II, formerly fund 1300, is now subfund 3682. This was done to facilitate the year-end carryover of the REET revenues to associated Capital (CIP) projects.

[Link to Real Estate Excise Tax #1 Fund Financial Plan, 8 KB .pdf](#)

[Link to Real Estate Excise Tax #2 Fund Financial Plan, 8 KB .pdf](#)

[Link to Major Maintenance Reserve Fund Financial Plan, 8 KB .pdf](#)

**[Link to Capital Improvement Program Table, 9 KB .pdf](#)**